

## MARCH 31, 1997 AMENDMENT TO OXBOW GROUND LEASES

This Amendment to the Oxbow Ground Leases ("Amendment") is made to be effective as of the 31st day of March, 1997, by and between **BANK OF AMERICA, N.T. AND S.A.**, DOING BUSINESS AS **SEAFIRST BANK**, as Co-Trustee under the Will of Giuseppe Desimone, deceased, and as Co-Trustee under the Will of Assunta Desimone, deceased; **SUZANNE M. HITTMAN**, as Co-Trustee under the Will of Giuseppe Desimone, deceased, and as Co-Trustee under the Will of Assunta Desimone, deceased; **JACQUELINE E. DANIELI**, as Co-Trustee under the Will of Giuseppe Desimone, deceased, and as Co-Trustee under the Will of Assunta Desimone, deceased; **JOSEPH R. DESIMONE**, individually and as Co-Trustee under the Last Will of Richard L. Desimone, deceased, and as Personal Representative of the Estate of Katherine M. Desimone, deceased; and **RICHARD L. DESIMONE, JR.**, individually and as Co-Trustee under the Last Will of Richard L. Desimone, deceased, and as Personal Representative of the Estate of Katherine M. Desimone, deceased; and as Trustee of the Richard L. Desimone III Trust, the John A. Desimone Trust, and the Ann M. Desimone Trust (collectively the "Lessor"), and **SABEY CORPORATION**, a Washington corporation (the "Lessee").

### 1 RECITALS

- 1.1 Rainier National Bank, Mondo Desimone and Rose D. Maselli, as Co-Trustees under the Last Will and Testament of Giuseppe Desimone, deceased, and as Co-Executors of the Estate of Assunta Desimone, deceased, and Katherine M. Desimone, individually and as Trustee under the Last Will and Testament of Richard L. Desimone, deceased, as Lessor, and the Sabey Corporation, as Lessee, entered into a Ground Lease on June 1, 1987, as amended by an Amendment to Ground Lease dated October 27, 1987, demising the premises legally described on **Exhibit A**, which is attached hereto ("Ground Lease No. 1"). Lessor is the successor in interest to the original lessor under Ground Lease No. 1.
- 1.2 Katherine M. Desimone, individually and as Trustee under the Last Will and Testament of Richard L. Desimone, deceased, as lessor, and the Sabey Corporation, as lessee, entered into a Ground Lease dated February 3, 1989, demising the premises legally described on **Exhibit B**, which is attached hereto ("Ground Lease No. 2"). **JOSEPH R. DESIMONE**, individually and as Co-Trustee under the Last Will of Richard L. Desimone, deceased, and as Personal Representative for the Estate of Katherine M. Desimone, deceased; and **RICHARD L. DESIMONE, JR.**, individually and as Co-Trustee under the Last Will of Richard L. Desimone, deceased, and as Personal Representative for the Estate of Katherine M. Desimone, deceased; and as Trustee of the Richard L. Desimone III Trust, the John A. Desimone Trust, and the Ann M. Desimone Trust are the successors in interest to the original Lessor under Ground Lease No. 2.

(\$8,778.47). All of said monthly rentals shall be paid in lawful money of the United States of America in advance on or before the first day of each and every calendar month of the Lease term. One Hundred percent (100%) of each such monthly rental amount shall be paid to **BANK OF AMERICA N.T. AND S.A., DOING BUSINESS AS SEAFIRST BANK**, as Co-Trustee under the Will of Giuseppe Desimone, deceased, and as Co-Trustee under the Will of Assunta Desimone, deceased; **SUZANNE M. HITTMAN**, as Co-Trustee under the Will of Giuseppe Desimone, deceased, and as Co-Trustee under the Will of Assunta Desimone, deceased; **JACQUELINE E. DANIELI**, as Co-Trustee under the Will of Giuseppe Desimone, deceased, and as Co-Trustee under the Will of Assunta Desimone, deceased at such place as they shall designate in writing.

- 3.2 *Late Payment Charges.* If Lessee is more than fifteen (15) days late in making any rental payment provided for herein, a late payment charge shall be due in addition to the monthly payment. The late payment charge shall be in the amount of five percent (5%) of that monthly payment. If Lessee is more than thirty (30) days late in making any rental payment provided for herein, an additional five percent (5%) late payment charge shall be due; and if Lessee is more than forty-five (45) days late in making any rental payment provided for herein, a third five percent (5%) late payment charge shall be due. In addition, if any monthly payment is more than thirty (30) days late, it shall accrue interest beginning as of the thirtieth (30<sup>th</sup>) day after the due date at three(3) percentage points above the most favorable then prevailing interest rate which Bank of America, N.T. and S.A., doing business as SeaFirst Bank, charges its commercial borrowers for short-term loans, but not in excess of the maximum legal rate per annum, from the thirtieth (30<sup>th</sup>) day after the due date to the date of Lessee's payment. The foregoing late payment and interest charges are in addition to any other penalties provided herein for late payment.

#### 4. **Rental Escalation**

- 4.1 *Fair Market Rental Value Adjustment.* The rent shall be fixed for the first ten (10) years of the term of the Lease, as set forth above. At the end of the first ten (10) years of the Lease term, and every ten (10) years thereafter during the term of the Lease, including the extended term, if any ("Rental Change Dates"), the rent shall be adjusted to reflect the then fair market rental value of the Premises. The fair market rental value shall be based upon the land "as is" and shall not take into consideration any improvements paid for by the Lessee or any sublessee, such as buildings, new sewer connections, added fill, if any, asphalt, landscaping or other such improvements made to the Premises, or offsite improvements paid for by the Lessee (or any sublessee which can be proved by the

Lessee to have been constructed as a direct result of the improvements made to the Premises or the use of the Premises by the Lessee or any sublessee). If any offsite improvements paid for by the sublessee have been constructed only partially as a result of the improvements made to the Premises or the use of the Premises by the sublessee, then only that portion which can be proved by the Lessee to have been constructed as a direct result of the improvements made to the Premises or the use of the Premises by the Lessee or sublessee shall not be taken into consideration when determining the fair market rental value. The parties shall have between the sixtieth and the thirtieth day prior to a Rental Change Date in which to arrive at a mutually agreeable rental amount. If they do not agree, then the Lessor shall immediately appoint an M.A.I. appraiser. The appraiser shall then determine the fair market rental value of the Premises, excluding the value of any improvements constructed by Lessee, as of the Rental Change Date. After the determination, the Lessee may either accept it, or if it disagrees with the amount, it shall within thirty (30) days after having received a copy of the appraisal, appoint a second appraiser. The second appraiser shall review the first appraisal, and if he agrees with it, the appraisal shall be binding. If he disagrees with the amount of the appraisal, and if the two appraisals are within five percent (5%) of each other, then the two appraisals shall be averaged to determine the fair market rental value. If he disagrees with the amount of the appraisal, and if the two appraisals are not within five percent (5%) of each other, then the two appraisers shall within ten days appoint a third appraiser. If the two appraisers cannot agree upon a third appraiser, or if either party fails to appoint an appraiser at the times set forth herein, then either party to the Lease may, after written notice to the other party, apply to the Presiding Judge of King County for the appointment of an appraiser. The three appraisers shall then determine the fair market rental value of the Premises, as of the Rental Change Date. The decision of two of the three appraisers shall be binding. All appraisers shall be M.A.I. appraisers engaged full time in the business of appraising real estate in the State of Washington. Each appraiser shall have thirty (30) days after such appraiser's appointment to arrive at a fair market rental value. The Lessor and Lessee shall share equally all cost of appraisal, one-half to each.

- 4.2 *Cost of Living Adjustment.* In addition, the rents shall be adjusted as of the end of the fifteenth (15<sup>th</sup>) year and every ten (10) years thereafter, by an amount equal to one half (1/2) of the percentage change in the Consumer Price Index occurring within the five (5) year period following the last adjustment of the rental rate based upon the fair market value. The Consumer Price Index to be used for this adjustment is the Index entitled "All Urban Consumers," United States City Average, All Items (1967 = 100) as published by

the Bureau of Labor Statistics, United States Department of Labor (the "Index"). Such adjustment shall be made at the end of the fifteenth (15<sup>th</sup>) year and every ten (10) years thereafter, during the term of this Lease, including the extended term, if any. If the Index is changed so that the base year differs from that used as of the month immediately preceding the month in which the term of this Lease commences, the Index shall be converted in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics. If the Index is discontinued or revised during the term, such other government index or computation, or if there is none, such nationally recognized index or computation, that is most nearly comparable to the Index shall be used in order to obtain substantially the same result as would be obtained if the Index had not been discontinued or revised. Failure to publish the Index for a period of six consecutive months or more shall be deemed to be a discontinuance of the Index.

- 4.3 *Ceilings on Rental Increases.* The rental rate increases set forth herein shall not result in rent commencing at the end of the first ten (10) years of the term of the Lease more than seventy five percent (75%) above Eight Thousand Seven Hundred Seventy Eight and 47/100 (\$8,778.47) per month for the Premises; the rental adjustment at the end of the twentieth (20<sup>th</sup>) year shall not result in rents more than seventy five percent (75%) above the rents established after the end of the first ten (10) years of the term of the Lease; the rents established at the end of the thirtieth (30<sup>th</sup>) year of the Lease term shall not result in rents more than one hundred percent (100%) above the rents established after the twentieth (20<sup>th</sup>) year of the term of the Lease; and the rents established at the end of the fortieth (40<sup>th</sup>) year of the Lease term shall not result in rents more than one hundred percent (100%) above the rents established after the thirtieth (30<sup>th</sup>) year of the term of the Lease. Notwithstanding the foregoing, no rental adjustment shall operate to reduce the rent below the rent established by the last fair market rental value adjustment.

- 4 The rental provisions of paragraphs 3 and 4 of Ground Lease No. 1.2 are hereby modified to read as follows:

3. **Rental.**

- 3.1 *Monthly Rental Payments.* The Lessee shall pay Lessor as rental for the Premises from June 1, 1987, through November 1987, a monthly rental of Eight Thousand Three Hundred Seventy-Seven and 83/100 Dollars (\$8,377.83). The Lessee shall pay Lessor as rental for the Premises during the period beginning with December 1, 1987, and through the remainder of the twenty-year

term, subject to the rental adjustments hereinafter described, a monthly rental of Sixteen Thousand Seven Hundred Fifty-Five and 53/100 Dollars (\$16,755.53). All of said monthly rentals shall be paid in lawful money of the United States of America in advance on or before the first day of each and every calendar month of the Lease term. Sixty-Three and two hundred twenty-six thousandths percent (63.226%) of each such monthly rental amount shall be paid to **BANK OF AMERICA, N.T. AND S.A., DOING BUSINESS AS SEAFIRST BANK**, as Co-Trustee under the Will of Giuseppe Desimone, deceased, and as Co-Trustee under the Will of Assunta Desimone, deceased; **SUZANNE M. HITTMAN**, as Co-Trustee under the Will of Giuseppe Desimone, deceased, and as Co-Trustee under the Will of Assunta Desimone, deceased; **JACQUELINE E. DANIELI**, as Co-Trustee under the Will of Giuseppe Desimone, deceased, and as Co-Trustee under the Will of Assunta Desimone, deceased at such place as they shall designate in writing, and the other thirty-six and seven hundred seventy-four thousandths percent (36.774%) of each such monthly rental amount shall be paid to **JOSEPH R. DESIMONE**, individually and as Co-Trustee under the Last Will of Richard L. Desimone, deceased, and as Personal Representative for the Estate of Katherine M. Desimone, deceased; and **RICHARD L. DESIMONE, JR.**, individually and as Co-Trustee under the Last Will of Richard L. Desimone, deceased, and as Personal Representative for the Estate of Katherine M. Desimone, deceased; and as Trustee of the Richard L. Desimone III Trust, the John A. Desimone Trust, and the Ann M. Desimone Trust.

- 3.2 *Late Payment Charges.* If Lessee is more than fifteen (15) days late in making any rental payment provided for herein, a late payment charge shall be due in addition to the monthly payment. The late payment charge shall be in the amount of five percent (5%) of that monthly payment. If Lessee is more than thirty (30) days late in making any rental payment provided for herein, an additional five percent (5%) late payment charge shall be due; and if Lessee is more than forty-five (45) days late in making any rental payment provided for herein, a third five percent (5%) late payment charge shall be due. In addition, if any monthly payment is more than thirty (30) days late, it shall accrue interest beginning as of the thirtieth (30<sup>th</sup>) day after the due date at three (3) percentage points above the most favorable then prevailing interest rate which Bank of America, N.T. and S.A., doing business as SeaFirst Bank, charges its commercial borrowers for short-term loans, but not in excess of the maximum legal rate per annum, from the thirtieth (30<sup>th</sup>) day after the due date to the date of Lessee's payment. The foregoing late payment and interest charges are in addition to any other penalties provided herein for late payment.

#### 4. Rental Escalation

- 4.1 *Fair Market Rental Value Adjustment.* The rent shall be fixed for the first ten (10) years of the term of the Lease, as set forth above. At the end of the first ten (10) years of the Lease term, and every ten (10) years thereafter during the term of the Lease, including the extended term, if any ("Rental Change Dates"), the rent shall be adjusted to reflect the then fair market rental value of the Premises. The fair market rental value shall be based upon the land "as is" and shall not take into consideration any improvements paid for by the Lessee or any sublessee, such as buildings, new sewer connections, added fill, if any, asphalt, landscaping or other such improvements made to the Premises, or offsite improvements paid for by the Lessee (or any sublessee which can be proved by the Lessee to have been constructed as a direct result of the improvements made to the Premises or the use of the Premises by the Lessee or any sublessee). If any offsite improvements paid for by the sublessee have been constructed only partially as a result of the improvements made to the Premises or the use of the Premises by the sublessee, then only that portion which can be proved by the Lessee to have been constructed as a direct result of the improvements made to the Premises or the use of the Premises by the Lessee or sublessee shall not be taken into consideration when determining the fair market rental value. The parties shall have between the sixtieth and the thirtieth day prior to a Rental Change Date in which to arrive at a mutually agreeable rental amount. If they do not agree, then the Lessor shall immediately appoint an M.A.I. appraiser. The appraiser shall then determine the fair market rental value of the Premises, excluding the value of any improvements constructed by Lessee, as of the Rental Change Date. After the determination, the Lessee may either accept it, or if it disagrees with the amount, it shall within thirty (30) days after having received a copy of the appraisal, appoint a second appraiser. The second appraiser shall review the first appraisal, and if he agrees with it, the appraisal shall be binding. If he disagrees with the amount of the appraisal, and if the two appraisals are within five percent (5%) of each other, then the two appraisals shall be averaged to determine the fair market rental value. If he disagrees with the amount of the appraisal, and if the two appraisals are not within five percent (5%) of each other, then the two appraisers shall within ten days appoint a third appraiser. If the two appraisers cannot agree upon a third appraiser, or if either party fails to appoint an appraiser at the times set forth herein, then either party to the Lease may, after written notice to the other party, apply to the Presiding Judge of King County for the appointment of an appraiser. The three appraisers shall then determine the fair market rental value of the Premises, as of the Rental Change Date. The decision of two of the three appraisers shall be binding. All

appraisers shall be M.A.I. appraisers engaged full time in the business of appraising real estate in the State of Washington. Each appraiser shall have thirty (30) days after such appraiser's appointment to arrive at a fair market rental value. The Lessor and Lessee shall share equally all cost of appraisal, one-half to each.

4.2 *Cost of Living Adjustment.* In addition, the rents shall be adjusted as of the end of the fifteenth (15<sup>th</sup>) year and every ten (10) years thereafter, by an amount equal to one half (1/2) of the percentage change in the Consumer Price Index occurring within the five (5) year period following the last adjustment of the rental rate based upon the fair market value. The Consumer Price Index to be used for this adjustment is the Index entitled "All Urban Consumers," United States City Average, All Items (1967 = 100) as published by the Bureau of Labor Statistics, United States Department of Labor (the "Index"). Such adjustment shall be made at the end of the fifteenth (15<sup>th</sup>) year and every ten (10) years thereafter, during the term of this Lease, including the extended term, if any. If the Index is changed so that the base year differs from that used as of the month immediately preceding the month in which the term of this Lease commences, the Index shall be converted in accordance with the conversion factor published by the United States Department of Labor, Bureau of Labor Statistics. If the Index is discontinued or revised during the term, such other government index or computation, or if there is none, such nationally recognized index or computation, that is most nearly comparable to the Index shall be used in order to obtain substantially the same result as would be obtained if the Index had not been discontinued or revised. Failure to publish the Index for a period of six consecutive months or more shall be deemed to be a discontinuance of the Index.

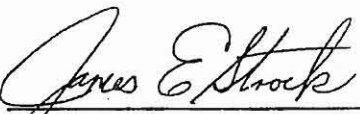
4.3 *Ceilings on Rental Increases.* The rental rate increases set forth herein shall not result in rent commencing at the end of the first ten (10) years of the term of the Lease more than seventy five percent (75%) above Sixteen Thousand Seven Hundred Fifty Five and 53/100 (\$16,755.53) per month for the Premises; the rental adjustment at the end of the twentieth (20<sup>th</sup>) year shall not result in rents more than seventy five percent (75%) above the rents established after the end of the first ten (10) years of the term of the Lease; the rents established at the end of the thirtieth (30<sup>th</sup>) year of the Lease term shall not result in rents more than one hundred percent (100%) above the rents established after the twentieth (20<sup>th</sup>) year of the term of the Lease; and the rents established at the end of the fortieth (40<sup>th</sup>) year of the Lease term shall not result in rents more than one hundred percent (100%) above the rents established after the thirtieth (30<sup>th</sup>) year of the term of the Lease. Notwithstanding the foregoing, no rental adjustment

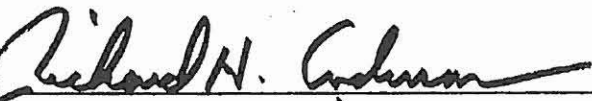
shall operate to reduce the rent below the rent established by the last fair market rental value adjustment.

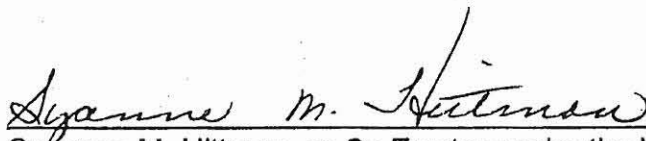
- 5 Except as modified herein, all the original terms of Ground Lease No. 1 as modified in the Recitals above shall apply to Ground Lease No. 1.1 and Ground Lease No. 1.2.

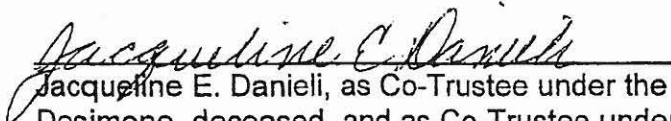
Lessor:

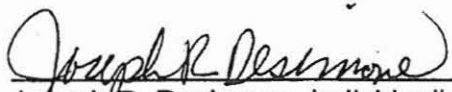
Bank of America, N.T. and S.A., doing business as SeaFirst Bank, as Co-Trustee under the Will of Giuseppe Desimone, deceased, and as Co-Trustee under the Will of Assunta Desimone, deceased

By:   
Its: VICE PRESIDENT

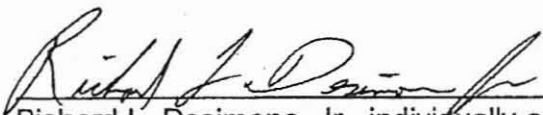
By:   
Its: VICE PRESIDENT

  
Suzanne M. Hittman, as Co-Trustee under the Will of Giuseppe Desimone, deceased, and as Co-Trustee under the Will of Assunta Desimone, deceased

  
Jacqueline E. Danieli, as Co-Trustee under the Will of Giuseppe Desimone, deceased, and as Co-Trustee under the Will of Assunta Desimone, deceased



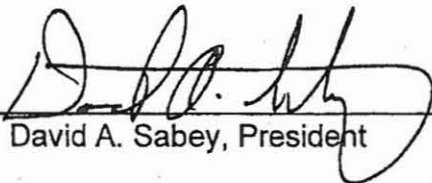
Joseph R. Desimone, individually and as Co-Trustee under the  
Last Will of Richard L. Desimone, deceased, and as Personal  
Representative of the Estate of Katherine M. Desimone, deceased



Richard L. Desimone, Jr., individually and as Co-Trustee under the  
Last Will of Richard L. Desimone, deceased, and as Personal  
Representative of the Estate of Katherine M. Desimone, deceased;  
and as Trustee of the Richard L. Desimone III Trust, the John A.  
Desimone Trust, and the Ann M. Desimone Trust

Lessee:

SABEY CORPORATION

By:   
David A. Sabey, President

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF KING )

I certify that I know or have satisfactory evidence that James E. Stock is the person who appeared before me, signed this instrument, on oath stated he \_\_\_\_\_ was authorized to execute said instrument as Vice President, of BANK OF AMERICA, N.T. AND S.A., DOING BUSINESS AS SEAFIRST BANK, to be the free and voluntary act of said corporation, for the uses and purposes mentioned in said foregoing instrument.

Dated: April 30, 1997.



Nancy H. Simmons  
Notary Public in and for the State of Washington.  
My Appointment Expires 10-2-97  
Print/Type Name NANCY H. SIMMONS

STATE OF WASHINGTON )  
 ) ss.  
COUNTY OF KING )

I certify that I know or have satisfactory evidence that Richard D. Anderson is the person who appeared before me, signed this instrument, on oath stated that \_\_\_\_\_ was authorized to execute said instrument as Vice President, of BANK OF AMERICA, N.T. AND S.A., DOING BUSINESS AS SEAFIRST BANK, to be the free and voluntary act of said corporation, for the uses and purposes mentioned in said foregoing instrument.

Dated: April 30, 1997.



Nancy H. Simmons  
Notary Public in and for the State of Washington.  
My Appointment Expires 10-2-97  
Print/Type Name NANCY H. SIMMONS

STATE OF WASHINGTON )  
 : ss.  
COUNTY OF KING )

I certify that I know or have satisfactory evidence that **SUZANNE M. HITTMAN** is the person who appeared before me, signed this instrument and acknowledged it to be her free and voluntary act and deed, for the uses and purposes mentioned in said foregoing instrument.

Dated: May 1, 1997.



David B Sweeney  
Notary Public in and for the State of Washington.  
My Appointment Expires 2/9/2001  
Print/Type Name DAVID B. SWEENEY

STATE OF WASHINGTON )  
 : ss.  
COUNTY OF KING )

I certify that I know or have satisfactory evidence that **JACQUELINE E. DANIELI** is the person who appeared before me, signed this instrument and acknowledged it to be her free and voluntary act and deed, for the uses and purposes mentioned in said foregoing instrument.

Dated: May 7, 1997.



David B Sweeney  
Notary Public in and for the State of Washington.  
My Appointment Expires 2/9/2001  
Print/Type Name DAVID B. SWEENEY

STATE OF WASHINGTON )  
 )  
 ) : ss.  
COUNTY OF KING )

I certify that I know or have satisfactory evidence that **JOSEPH R. DESIMONE** is the person who appeared before me, signed this instrument and acknowledged it to be his free and voluntary act and deed, for the uses and purposes mentioned in said foregoing instrument.

Dated: June 20, 1997.



David B Sweeney

Notary Public in and for the State of Washington.  
My Appointment Expires 2/9/2001  
Print/Type Name DAVID B. SWEENEY

STATE OF WASHINGTON )  
 )  
 ) : ss.  
COUNTY OF KING )

I certify that I know or have satisfactory evidence that **RICHARD L. DESIMONE, JR.** is the person who appeared before me, signed this instrument and acknowledged it to be his free and voluntary act and deed, for the uses and purposes mentioned in said foregoing instrument.

Dated: April 29, 1997.



David B Sweeney

Notary Public in and for the State of Washington.  
My Appointment Expires 2/9/2001  
Print/Type Name DAVID B. SWEENEY

STATE OF WASHINGTON )  
 )  
 ) ss.  
COUNTY OF KING )

I certify that I know or have satisfactory evidence that David A. Sabey, is the person who appeared before me, signed this instrument, on oath stated that he was authorized to execute said instrument as PRESIDENT, of **SABEY CORPORATION**, to be the free and voluntary act of said corporation, for the uses and purposes mentioned in said foregoing instrument.

Dated: June 21, 1997.



Stanley E. Erickson  
Notary Public in and for the State of Washington.  
My Appointment Expires 11/26/2000  
Print/Type Name STANLEY E. ERICKSON

## EXHIBIT A

### Parcel One

(Formerly a portion of the Atlas area)

That portion of the northwest quarter of the south-east quarter and of Government Lot 7 and Government Lot 11 in Section 4, Township 23 North, Range 4 East, W. M., in King County, Washington, described as follows:

Commencing at the southwest corner of said Government Lot 11 in said Section 4; thence S 89° 22' 06" E along the South line of said Government Lot 11 of Section 4, a distance of 988.27 feet; thence N 14° 45' 08" W a distance of 477.09 feet to an intersection of the North line of the South 460 feet of said Government Lot 11 of Section 4 and the northeasterly margin of Primary State Highway No. 1, as established by King County Superior Court Cause No. 529021, said point of intersection being the True Point of Beginning; thence continuing N 14° 45' 08" W along said northeasterly margin a distance of 712.51 feet to a point of spiral curve; thence continuing along said northeasterly margin on a spiral curve to the left the chord of which bears N 15° 07' 51" W a distance of 152.94 feet to a point of simple curve; thence continuing along said northeasterly margin along a curve to the left having a radius of 3970.00 feet through a central angle of 04° 55' 00" an arc distance of 340.67 feet; thence S 40° 20' 44" E a distance of 175.00 feet; thence S 56° 13' 15" E a distance of 270.95 feet to a point on the North line of said Government Lot 11; thence S 88° 47' 49" E along said North line of Government Lot 11 a distance of 210.00 feet; thence N 27° 01' 58" E a distance of 720.59 feet to a point on a line 225 feet northeasterly of and parallel to the centerline of a proposed southeasterly extension of the Duwamish Waterway; thence S 41° 52' 02" E along said parallel line a distance of 950 feet more or less to the northwesterly bank of the Duwamish River; thence going in a southwesterly direction along said northwesterly bank of the Duwamish River a distance of 1300 feet more or less, to a point on the North line of the South 460 feet of said Government Lot 11; thence N 89° 22' 06" W along said North line a distance of 205 feet more or less to the True Point of Beginning. EXCEPT the strip of land for City of Seattle transmission line as established by Ordinance No. 82986 of the City of Seattle. AND EXCEPT the land lying southwesterly of the southwest line of said City of Seattle transmission line as established by Ordinance No. 82986 of the City of Seattle.

Comprising an area of 15.59 acres, more or less.

Parcel Two

(Formerly the Test Track Area)

That portion of the northwest quarter of the southeast quarter and of Government Lot 7 in Section 4, Township 23 North, Range 4 East, W.M., in King County, Washington, described as follows:

Commencing at the southwest corner of the southeast quarter of said Section 4; thence S 89°22'06" E along the South line of said southeast quarter of Section 4, a distance of 988.27 feet; thence N 14°45'08" W a distance of 477.09 feet to an intersection of the North line of the South 460 feet of said southeast quarter of Section 4 and the northeasterly margin of Primary State Highway No. 1, as established by King County Superior Court Cause No. 529021; thence continuing N 14°45'08" W along said northeasterly margin a distance of 712.51 feet to a point of spiral curve; thence continuing along said northeasterly margin on a spiral curve to the left the chord of which bears N 15°07'51" W a distance of 152.94 feet to a point of simple curve; thence continuing along said northeasterly margin along a curve to the left having a radius of 3970.00 feet through a central angle of 04°55'00" an arc distance of 340.67 feet to the True Point of Beginning; thence continuing along said northeasterly margin N 11°24'57" E a distance of 388.51 feet to a point of curvature the center of which bears S 64°42'23" W; thence going in a northwesterly direction along said northeasterly margin on a curve to the left having a radius of 4190.00 feet through a central angle of 02°37'29" an arc distance of 191.94 feet; thence continuing along said northeasterly margin N 27°01'05" E a distance of 89.78 feet to the southeasterly line of a roadway as described in memorandum of lease recorded under Auditor's File No. 4759860, records of King County, Washington; thence N 48°11'59" E along said southeasterly line a distance of 442.51 feet to a point 225 feet northeasterly of and parallel to the centerline of the proposed extension of the Duwamish Waterway; thence S 41°52'02" E along said line 225 feet northeasterly of the centerline of the proposed extension of the Duwamish Waterway a distance of 770.69 feet; thence S 27°01'58" W a distance of 720.59 feet to a point on the South line of the northwest quarter of the said southeast quarter of Section 4; thence N 88°47'49" W along said South line a distance of 210.00 feet; thence N 56°13'15" W a distance of 270.95 feet; thence N 40°20'44" W a distance of 175.00 feet to the True Point of Beginning.

Comprising an area of 15.82 acres, more or less.

EXHIBIT B

That portion of Government Lot 11 in Section 4, Township 23 North, Range 4 East, W.M. , in King County, Washington, lying northeasterly of the northeasterly margin of Primary State Highway No. 1, as established by King County Superior Court Cause No. 529021; and lying southwesterly of the southwest line of the Seattle Transmission line as established by Ordinance No. 82986 of the City of Seattle, as condemned in King County Superior Court Cause No. 4698557; and lying northwesterly of the Duwamish River; EXCEPT the South 460 feet of said Government Lot 11.